Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

(Transmittal Nos. 12-60)

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittals 12-60 with attached transmittal, policy justification, and Sensitivity of

Technology.

Dated: March 4, 2013.

Aaron Siegel, Alternate OSD Federal Register Liaison Officer, Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203 ARLINGTON, VA 22202-5408

The Honorable John A. Bochner Speaker of the House U.S. House of Representatives Washington, DC 20515

FEB 27 2013

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 12-60, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Iraq for defense articles and services estimated to cost \$600 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

Fuz William E. Landay III Vice Admiral, USN

Director

Enclosures:

- 1. Transmittal
- 2. Policy Justification
- 3. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 12-60

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b)(1) of the Arms Export Control Act, as amended

- (i) <u>Prospective Purchaser</u>: Iraq
- (ii) Total Estimated Value:

Major Defense Equipment* \$ 0 million
Other \$ 600 million
TOTAL \$ 600 million

- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 90 M45 RAPISCAN Mobile Eagle High Energy Mobile System Vehicles, 40 M60 RAPISCAN Mobile Eagle High Energy Mobile System Vehicles, 70 American Science and Engineering brand Z Backscatter Vans, spare and repair parts, support equipment, personnel training and training equipment, Quality Assurance Team, tools and test equipment, publications and technical data, U.S. Government and contractor technical assistance, and other related logistical support.
- (iv) <u>Military Department</u>: Army (WAN)
- (v) Prior Related Cases, if any: None
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) <u>Sensitivity of Technology Contained in the Defense Article or Defense</u> Services Proposed to be Sold: None
- (viii) <u>Date Report Delivered to Congress</u>: 27 February 2013

^{*} as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

Iraq – RAPISCAN System Vehicles

The Government of Iraq has requested a possible sale of 90 M45 RAPISCAN Mobile Eagle High Energy Mobile System Vehicles, 40 M60 RAPISCAN Mobile Eagle High Energy Mobile System Vehicles, 70 American Science and Engineering brand Z Backscatter Vans, spare and repair parts, support equipment, personnel training and training equipment, Quality Assurance Teams, tools and test equipment, publications and technical data, U.S. Government and contractor technical assistance, and other related logistical support. The estimated cost is \$600 million.

This proposed sale directly supports the Iraqi government and serves the interests of the Iraqi people and the United States.

This proposed sale of RAPISCAN systems and vehicles will contribute to a stable, sovereign, and democratic Iraq. The purchase and use of these systems will facilitate progress toward this goal by increasing the Government of Iraq's ability to defend critical infrastructure and reduce terror and insurgent activities. The Z Backscatter vans will be used to scan vehicle interiors and will provide the Government of Iraq a tool to restrict the ability of insurgent and terrorist groups to operate by detecting contraband movement through borders and checkpoints. Iraq will have no difficulty absorbing this equipment.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractors will be Rapiscan Systems in Torrance, California; and American Science and Engineering in Billerica, Massachusetts. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require contractor representatives (30 from Rapiscan and 15 from American Science and Engineering) to travel to Iraq for a period of three years to provide management, and operation and maintenance training.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

[FR Doc. 2013-05401 Filed 03/07/2013 at 8:45 am; Publication Date: 03/08/2013]